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09/849,504	05/04/2001	William Donovan Quigg	33582-8001US1	8692
25096	7590	02/28/2006	EXAMINER	
PERKINS COIE LLP			LASTRA, DANIEL	
PATENT-SEA			ART UNIT	
P.O. BOX 1247			PAPER NUMBER	
SEATTLE, WA 98111-1247			3622	

DATE MAILED: 02/28/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

# Office Action Summary

Application No.

09/849,504

Applicant(s)

QUIGG, WILLIAM DONOVAN

Examiner

DANIEL LASTRA

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

## Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

## Status

- 1) ☒ Responsive to communication(s) filed on 28 November 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

## Disposition of Claims

- 4) ☒ Claim(s) 1-47 and 49-65 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-47 and 49-65 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

## Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

## Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

## Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date 11/28/2005.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

### **DETAILED ACTION**

1. Claims 1-47 and 49-65 have been examined. Application 09/849,504 has a filing date 05/04/2001 Claims Priority from Provisional Application 60/202,583 (05/09/2000).

#### ***Response to Amendment***

2. In response to Non Final Rejection filed 05/31/2005, the Applicant filed an Amendment on 11/28/2005, which amended claims 1, 10, 11, 22, 25, 26, 29, 31, 33, 34, 37, 38, 40-45, 52, 57, 61 and added new claim 65.

#### ***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-7, 11, 14, 16-18, 20-23, 26, 27, 29-32, 34-40, 43-45, 49, 51-54, 57-59, 61-65 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Villemure (US 5,938,036).

A computer system for processing a paper product, comprising:

a product order tracker configured to receive a paper product order from a paper purchaser (see "commercial user" column 9, lines 1-5) to purchase a paper product that is produced by a manufacturer (see column 8, lines 35-40), the paper product including

a roll of paper or a plurality of unbound, stacked paper sheets (see column 1, lines 47-50);

a promotions order tracker configured to receive a promotional material order from a third-party advertiser to place promotional material on an enclosure for the paper product (see column 9, line 42 – column 10, line 25) and

a paper product tracker configured to provide instructions for creating the enclosure for the paper product (see column 6, lines 50-52), the enclosure having the promotional material of the received promotional material order, the paper product tracker further being configured to provide instructions to enclose the paper product of the received order with the created enclosure, wherein the manufacturer, the paper purchaser, and the third-party advertiser are different entities (see column 8, lines 1-40); and the third-party advertiser pays to have the promotional material placed on the enclosure of the paper product (see column 10, lines 14-20; column 13, lines 5-10). Ryan does not expressly teach that the manufacturer is a paper manufacturer. However, Villemure teaches a paper manufacturer that assembles packaged reams of paper sheets and where said reams of paper sheet provides a display surface for information and advertising which can be personalized for particular users or distributors (see Villemure column 5, lines 54-57). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Villemure's paper manufacturers would be motivated to include promotions into paper product package wrappers in view that third party advertisers would pay said manufacturers for including advertisements into said wrappers, as taught by Ryan and

in view that said paper manufacturers would be motivated to use said payment to lower the selling price of said manufacturers' paper products in order to better compete with other sellers of said paper products. Third party advertisers would be motivated to pay Villemure's paper manufacturers to include advertisements into the Villemure's paper enclosures using the targeting system taught by Ryan in view that said advertisers would be able to better target their advertisements based upon customers profiles, therefore, increasing the probability that said advertisements would reach their intended target. Commercial users (see Ryan column 9, lines 1-3) would be motivated to include advertisements into purchase paper products in view that said advertisements would permit said users to purchase said products at a lower price in comparison of purchasing said products without advertisements. Official Notice is taken that it is old and well known in the business art that retailers and/or manufacturers lower the price of their inventory for the purpose of making their inventory more attractive to buyers and therefore, increasing the probability of selling said inventory. It would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that manufacturers and/or retailers of paper products would be motivate to include advertisements into wrappers of said paper products in view that the money pay by advertisers for said including would allow said manufacturers and/or retailers to lower the selling price of said products, making their products more attractive to buyers and therefore, increasing the probability of selling said products.

As per claims 2, 14, 16, 18, 20-23, 26, 27, 31, 32, 34-39, 49, 52-54, 58-59 and 62-63, Ryan teaches:

The computer system of claim 1, further comprising a remuneration tracker configured to track remuneration paid by the third-party advertiser for the promotional material and tracking receipt of remuneration from the paper purchaser for the paper product (see Ryan column 10, lines 7-17).

As per claim 3, Ryan teaches:

The computer system of claim 1, further comprising an artwork tracker configured to provide instructions for creating a fixed medium that includes the promotional material (see Ryan column 6, lines 50-55).

As per claims 4, 30 and 51, Ryan teaches:

The computer system of claim 1 wherein the promotions order tracker is configured to coordinate enclosing the paper product with a particular enclosure based on the content of the promotional material, the identity of the paper purchaser, and/or a location to which the paper product is to be delivered (see column 9, lines 42-55 "address restriction data").

As per claim 5, Ryan teaches:

The computer system of claim 1 wherein the promotional material order is a first promotional material order for first promotional material and the third-party advertiser is a first third-party advertiser, and wherein the promotions order tracker is configured to receive a second promotional material order from a second third-party advertiser to place second promotional material on the enclosure (see column 10, lines 54-57).

As per claim 6, Ryan teaches:

The computer system of claim 1 wherein the product order tracker is configured to receive a paper product order for unbound, stacked sheets of paper and/or a roll of paper (see column 1, lines 47-50).

As per claim 7, Ryan teaches:

The computer system of claim 1 wherein the promotions order tracker is configured to receive an order for an advertisement placed on a wrapper configured to enclose unbound stacked sheets of paper (see column 9, lines 42-67).

As per claim 17, Ryan teaches:

The method of claim 11, further comprising tracking receipt of remuneration from the paper purchaser to an intermediate party for the paper product (see column 13, lines 1-10).

As per claim 40, Ryan teaches:

The method of claim 34 wherein providing instructions for disposing promotional material includes providing instructions for printing an advertisement on an external surface of the enclosure (see column 9, lines 42-67).

As per claim 65, Ryan teaches:

The method of claim 34, further comprising instructing another entity to dispose the promotional material on the enclosure (see column 10, lines 54-60).

4. Claims 8, 9, 24, 28, 42 and 56 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Villemure (US 5,938,036) and further in view of Itkonen (US 5,473,863).

As per claims 8, 24, 28, 42 and 56, Ryan teaches:

The computer system of claim 1 but fails to teach wherein the promotions order tracker is configured to receive an order for an advertisement placed on a wrapper configured to enclose a roll of paper. However, Itkonen teaches a method for wrapping a roll of paper, where said wrapper is often printed with advertisement (see column 1, lines 64-67). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Villemure's manufacturers would be motivated to enclose paper rolls with the Itkonen's roll wrapper in view that said wrapper would include promotions that would subsidize the cost of producing and wrapping said paper roll, as taught by Ryan.

As per claim 9, Ryan teaches:

The computer system of claim 1 wherein the promotions order tracker is configured to receive an order for an advertisement placed on a box configured to enclose the paper product. However, the same rejection applied to claim 8 regarding this missing limitation is also applied to claim 9.

5. Claims 10, 25, 33, 41, 55, 60 and 64 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Villemure (US 5,938,036) and further in view of Crossman (US 5,035,515).

As per claims 10, 25, 33, 41, 55, 60 and 64, Ryan fails to teach:

The computer system of claim 1 wherein the promotions order tracker is configured to receive an order for a coupon placed on or enclosed by the enclosure. However Crossman teaches package wrappers having detachable coupons (see figure 1). Therefore, It would have been obvious to a person of ordinary skill in the art at the



time the application was made, to know that manufacturer of paper products would include third party advertisers coupons into a package wrappers, as taught by Crossman in order to offset the cost of producing said products by billing advertisers for said including, as taught by Ryan.

6. Claims 12, 13, 15, 19, 46, 47 and 50 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Villemure (US 5,938,036) and further in view of Loeb (US 6,421,652).

As per claims 12, 13, 15, 19, 46, 47 and 50, Ryan teaches:

The method of claim 11 but fails to teach wherein receiving a paper product order includes receiving the order from an intermediate party, with the intermediate party receiving the order from the paper purchaser or a third-party advertiser and tracking receipt of remuneration from the third-party advertiser to an intermediate party for the promotional material. However, Loeb teaches that 60% of all new subscriptions are acquired by third-party service providers (see column 2, lines 10-20). Therefore, it would have been obvious to a person of ordinary skill in the art the time the application was made, to know that Ryan would use intermediary parties (i.e., agents) that would work to bring more customer to order paper products. The intermediary party would be more than willing to serve as an intermediary in the interaction between paper purchasers and advertisers because said intermediary party would receive remuneration from said interaction.

***Response to Arguments***

7. In light of Applicant's amendment filed 11/28/2005, the Examiner agreed to withdraw the Section 101 rejection and the Section 103 rejection of claims 1-64. However, upon consideration, a new ground of rejection is made in view of Ryan and Villemure. Applicant's arguments filed 11/28/2005 with respect to commercial success have been fully considered but they are not persuasive. Applicant mentioned an exhibit A, however, due to bad scanning, the Examiner was not able to view said Exhibit A. Applicant needs to resubmit said Exhibit A. With respect to Exhibit B, the Applicant argues that the presented increase sale of cartons are a direct result of the Applicant's claimed invention. The Examiner answers that in considering evidence of commercial success, care should be taken to determine that the commercial success alleged is directly derived from the invention claimed, in a marketplace where the consumer is free to choose on the basis of objective principles, and that such success is not the result of heavy promotion or advertising, shift in advertising, consumption by purchasers normally tied to applicant or assignee, or other business events extraneous to the merits of the claimed invention, etc. In re Mageli, 470 F.2d 1380, 176 USPQ 305 (CCPA 1973) (conclusory statements or opinions that increased sales were due to the merits of the invention are entitled to little weight) (In re Noznick, 478 F.2d 1260, 178 USPQ 43 (CCPA 1973). In ex parte proceedings before the Patent and Trademark Office, an applicant must show that the claimed features were responsible for the commercial success of an article if the evidence of nonobviousness is to be accorded substantial weight. See In re Huang, 100 F.3d 135, 140, 40 USPQ2d 1685, 1690 (Fed. Cir. 1996)

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(Inventor's opinion as to the purchaser's reason for buying the product is insufficient to demonstrate a nexus between the sales and the claimed invention). Merely showing that there was commercial success of an article which embodied the invention is not sufficient. Ex parte Remark, 15 USPQ2d 1498, 1502-02 (Bd. Pat. App. & Inter. 1990). Compare Demaco Corp. v. F. Von Langsdorff Licensing Ltd., 851 F.2d 1387, 7 USPQ2d 1222 (Fed. Cir. 1988) (In civil litigation, a patentee does not have to prove that the commercial success is not due to other factors. "A requirement for proof of the negative of all imaginable contributing factors would be unfairly burdensome, and contrary to the ordinary rules of evidence."). See also Pentec, Inc. v. Graphic Controls Corp., 776 F.2d 309, 227 USPQ 766 (Fed. Cir. 1985) (commercial success may have been attributable to extensive advertising and position as a market leader before the introduction of the patented product); In re Fielder, 471 F.2d 690, 176 USPQ 300 (CCPA 1973) (success of invention could be due to recent changes in related technology or consumer demand; here success of claimed voting ballot could be due to the contemporary drive toward greater use of automated data processing techniques); EWP Corp. v. Reliance Universal, Inc., 755 F.2d 898, 225 USPQ 20 (Fed. Cir. 1985) (evidence of licensing is a secondary consideration which must be carefully appraised as to its evidentiary value because licensing programs may succeed for reasons unrelated to the unobviousness of the product or process, e.g., license is mutually beneficial or less expensive than defending infringement suits); Hybritech Inc. v. Monoclonal Antibodies, Inc., 802 F.2d 1367, 231 USPQ 81 (Fed. Cir. 1986) (Evidence of commercial success supported a conclusion of nonobviousness of claims to an immunometric "sandwich" assay with

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monoclonal antibodies. Patentee's assays became a market leader with 25% of the market within a few years. Evidence of advertising did not show absence of a nexus between commercial success and the merits of the claimed invention because spending 25-35% of sales on marketing was not inordinate (mature companies spent 17-32% of sales in this market), and advertising served primarily to make industry aware of the product because this is not kind of merchandise that can be sold by advertising hyperbole.). Gross sales figures do not show commercial success absent evidence as to market share, *Cable Electric Products, Inc. v. Genmark, Inc.*, 770 F.2d 1015, 226 USPQ 881 (Fed. Cir. 1985), or as to the time period during which the product was sold, or as to what sales would normally be expected in the market, *Ex parte Standish*, 10 USPQ2d 1454 (Bd. Pat. App. & Inter. 1988). Applicant's Exhibit B shows gross sales figures, however, the Applicant did not give any evidence of company market share or what sales would normally be expected in the market. Furthermore, the Applicant recites that "he believes the 68% increase in sales would have been greater, but for the limit Costco has temporary placed on the number of cartons of paper that each customer can purchase". However, the Applicant's declaration does not explain why for the weeks of 4/17/05, 5/15/05, 5/29/05 and 6/5/05 which occurred prior to Applicant's claimed invention, the average number of cartons shipped to Costco was higher than the average number of cartons shipped to Costco in the weeks that included the Applicant's claimed invention such as 7/24/05-8/7/05, 9/4/05, 9/11/05 and 9/25/05. And also, although Costco placed a temporary limit of the number of cartons, 5040 cartons were shipped in the weeks of 7/17/05 and 8/28/05, therefore, indicating that the limit

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was not 2520 cartons, which is what Applicant's declaration shows that was shipped on the week of 7/24/05-8/7/05, 9/4/05, 9/11/05 and 9/25/05. Applicant's declaration does not explain why there were whole months previous 7/17/05 that more cartons were shipped to Costco than cartons shipped after 7/17/05. Furthermore, the data in Applicant's Exhibit B shows that counting the same amount of weeks previous and after the beginning 7/17/05, the average shipped cartons between 4/10/05 to 6/26/05 was 2530 cartons and the average shipped cartons between 7/17/05 to 9/25/05 was 3,250 cartons for a difference of only 28% and not 68%. The Examiner is not taking into account the data on 7/3/05 because that data shows 320 shipped cartons that clearly is way out of the number of cartons shipped for the previous 4 month. Therefore, the data shown in Applicant's exhibit B does not show a nexus between commercial success and the merits of the claimed invention, which would overcome the obviousness rejection.

### ***Conclusion***

8. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- Brookman teaches a newspaper wrapper which includes advertisements.
- Simmons teaches package wrappers with promotional informational (wrappers for can, bottle, cup, box or any other form of container; see Simmons column 3, lines 5-12).
- Bozlee teaches a device and method for advertising and carrying bags with handles.

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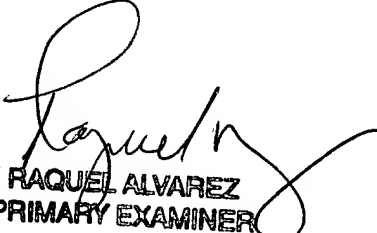
Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720 and fax 571-273-6720. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W. STAMBER can be reached on 571-272-6724. The official Fax number is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

DL

Daniel Lastra  
February 18, 2006

  
RAQUEL ALVAREZ  
PRIMARY EXAMINER